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**Department of Justice**

This report documents the results of our financial-compliance audit of the Department of Justice (department) for the two fiscal years ended June 30, 2006. The previous audit report contained four recommendations. Of these, three were implemented and one was partially implemented.

This report contains five recommendations. The issues discussed in this report include inadequate controls over motor vehicle revenues received by county collection reports, timeliness of revenues received by Montana Interactive, Inc., accounting for Montana Law Enforcement Academy revenues, Youth Detention Facility expenditures, and Construction Work-In-Progress assets, compliance with state laws, and timeliness of cash deposits.

We issued an unqualified opinion on the financial schedules contained in this report. This means the reader can rely on the presented financial information and the supporting data on the state's accounting records.

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the department implement procedures to ensure motor vehicle revenues received from counties are reasonable..... 6

Department Response: Concur. See page B-3.

Recommendation #2

We recommend the department work with the Department of Administration, as needed, to modify remittance terms for Montana Interactive, Inc. collections to comply with state deposit law. .... 7

Department Response: Concur. See page B-3.

## Report Summary

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### Recommendation #3

We recommend the department properly account for Montana Law Enforcement Academy revenues, Youth Detention Facility expenditures and Construction Work-In-Progress assets in accordance with state law and policy..... 8

Department Response: Concur. See page B-4.

### Recommendation #4

We recommend the department:

- A. Implement procedures to ensure compliance with laws related to revoked license plates, back taxes, military draft registration requirements, and distribution of motor vehicle revenues.
- B. Adopt rules for laws related to sale of driver's license receipts, generic specialty license plates, and specialty motorcycle and quadricycle license plates as required by state law. .... 11

Department Response: Concur. See page B-4.

### Recommendation #5

We recommend the department implement procedures to deposit collections timely as required by state law. .... 12

Department Response: Concur. See page B-5.